



100 North Charles Street
Baltimore, Maryland 21201

9-103A021

CSX Equipment

RECORDATION NO. 9811-14 FILED 1425

APR 13 1989 -12 20 PM

April 6, 1989

Secretary
Interstate Commerce Commission
Attention: Recordation Unit
12th Street & Constitution Ave., N.W.
Washington D.C., 20423

RECORDATION NO. 9811-14 FILED 1425

RECORDATION NO. 9811-14 FILED 1425

APR 13 1989 -12 20 PM

APR 13 1989 -12 20 PM

Dear Mrs. Mildred Lee:

INTERSTATE COMMERCE COMMISSION

INTERSTATE COMMERCE COMMISSION

On behalf of CSX Transportation, Inc., enclosed for filing and recording under 49 U.S.C. sec. 11303 (a) and the regulations promulgated thereunder, is one (1) executed counterpart and five (5) copies thereof of a secondary document, not previously recorded, entitled PURCHASE AND SALE AGREEMENT with a BILL OF SALE and a RELEASE dated as of December 30, 1988.

The parties to the enclosed release are:

Mercantile-Safe Deposit and Trust Company
(as Agent)
Two Hopkins Plaza
P.O. Box 2258
Baltimore, MD 21203

Connell Rice & Sugar Co. Inc. (Connell Leasing Company
Division, "Connell") (as Lessor and as Seller)
45 Cardinal Drive
Westfield, New Jersey 07092

CSX Transportation Inc., (as Lessee and Buyer)
Successor by merger to The Chesapeake and Ohio Railway
Company (C&O)
100 North Charles Street
Baltimore, MD 21201

The first enclosed document, entitled PURCHASE AND SALE AGREEMENT, among other things, specifies the desires of the Buyer to purchase and each of the Sellers desires to sell and cause to be sold that certain railroad equipment originally under the Reconstruction and Conditional Sale Agreement, dated as of October 1, 1978, filed with the Interstate Commerce Commission ("ICC") on October 31, 1978, as well as that certain Transfer Agreement, Lease, Assignment of Lease and Agreement and a Hulk Purchase Agreement, all filed with the ICC with Recordation Nos. 9811, 9811-A, 9811-B, 9811-C, and 9811-D, respectively.

NOTED BY MAIL ROOM
60. MAY 21 1989

The second enclosed document, entitled BILL OF SALE specifies the terms of the sale by the Sellers to sell, assign, transfer and set over to Buyer, all right, title and interest in and to the Equipment described in Schedule I of the Bill of Sale from that certain Lease of Railroad Equipment (as modified, supplemented or amended from time to time), dated as of October 1, 1978, filed with the Interstate Commerce Commission ("ICC") on October 31, 1978 and assigned Recordation No. 9811-B.

The third enclosed document, entitled RELEASE, specifies the acknowledgment of the satisfaction of all debt owed to the Agent pursuant to, and release all right, title and interest in and to, that certain railroad equipment originally under the Reconstruction and Conditional Sale Agreement, dated as of October 1, 1978, filed with the Interstate Commerce Commission ("ICC") on October 31, 1978 as well as that certain Transfer Agreement and a Hulk Purchase Agreement, all filed with the ICC with Recordation Nos. 9811, 9811-A, 9811-D, respectively.

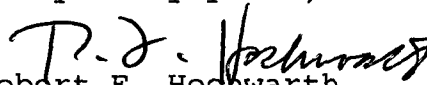
The units of equipment covered by the enclosed documents are all units identified in said Agreements. A short summary of the document to appear in the ICC Index is as follows:

"Full and Complete Release"

Enclosed is a check in the amount of \$13.00 in payment of the filing fee.

Once the filing has been made, please return to the undersigned stamped copies of the Instrument of Release not needed for your files, together with the fee receipt, a copy of the letter from the ICC acknowledging the filing, and an extra copy of this letter of transmittal.

Very truly yours,


Robert F. Hochwarth
Senior Counsel

cc: Mr. D.J.Voisard
Attachments



CSX Equipment

100 North Charles Street
Baltimore, Maryland 21201

Mrs. Mildred Lee
Recordation Unit
Interstate Commerce Commission
12th Street & Constitution Ave., N.W.
Washington D.C., 20423

April 7, 1989

Dear Mrs. Lee;

Attached are six sets (one original and five copies) of documents entitled PURCHASE AND SALE AGREEMENT, BILL OF SALE AND RELEASE, all dated as of December 30, 1988.

Please review these documents for content and record in the same manner in which you did for us back in February, this year for two other CSXT / CONNELL documents. These were the ones in which you recorded, in subsequent order, the Purchase and Sale Agreement first, then the Bill of Sale and then the final Release document was recorded last. These should be recorded under the same recordation number as the original (here it would be 9811 and then the next available three letters).

Once these copies are recorded, please return them to me, along with the other documents requested in Mr. Hochwarth's letter, To:

Mr. Richardson C. Cole
CSX Transportation, Inc.
100 North Charles St
Treasury Department, B6E
Baltimore, MD 21201

If there are any questions or problems with this request, please give me a call (301-237-4581) like you did the last time. Thank you for your assistance in completing this recording in an expeditious manner.

Very truly yours,

A handwritten signature in cursive script that reads "Ric Cole".

Richardson C. Cole
CSX Distribution Services, CSX Equipment, CSX Rail Transportation and American Commercial Lines
are units of CSX Transportation, Inc. and its affiliates.

9811-14
APR 13 1989 12 30 PM
INTERSTATE COMMERCE COMMISSION

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made as of the 30th day of December, 1988, by and between CSX TRANSPORTATION INC. (the "Buyer"), a corporation organized under the laws of the Commonwealth of Virginia, as successor by merger to The Chesapeake and Ohio Railway Company ("Chesapeake") and CONNELL RICE & SUGAR CO., INC. (Connell Leasing Company Division) (the "Seller"), a corporation organized under the laws of the State of New Jersey.

WHEREAS, Seller leased certain units of reconstructed railroad equipment on the date hereof (the "Units") to Chesapeake ("Lessee"), pursuant to a Lease of Railroad Equipment (as modified, supplemented or amended from time to time to the date hereof, the "Lease"), dated as of October 1, 1978, between Seller and Chesapeake; and

WHEREAS, Mercantile-Safe Deposit and Trust Company ("Mercantile") holds security title to said Units pursuant to a Reconstruction and Conditional Sale Agreement (as modified, supplemented or amended from time to time to the date hereof, the "RSCA"), dated as of October 1, 1978, among Mercantile, Chesapeake and Seller and a Transfer Agreement dated as of October 1, 1978, between Mercantile and Seller to secure payment of debt incurred by Seller to purchase

said Units (and the other units subject to the Loan on October 1, 1978), which debt has been paid in full; and

WHEREAS, Mercantile desires to facilitate the purchase and sale of the Units so that on the Closing Date (as hereinafter defined) such Units shall be sold to Buyer free and clear of the security title held by Mercantile; and

WHEREAS, Buyer desires to purchase and Seller desires to sell the aforesaid Units which are in existence on the Closing Date;

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Sale of Equipment. Provided that the conditions set forth in Section 3 shall have been satisfied, Seller agrees to sell, and Buyer agrees to purchase, on February 15, 1989 or such other date as the parties hereto may agree (the "Closing Date"), all of the right, title and interest of Seller in and to the Units and the Lease, such that the right of Lessee to use and possess (as described in Section 11 of the Lease) such Units shall not be disturbed. The Units of reconstructed railroad equipment owned by Seller on the date hereof are described on Exhibit A. Such Units are collectively referred to herein as the

"Equipment." The Units are to be sold to Buyer on the Closing Date, except for those which shall have suffered a Casualty Occurrence (as defined in the Lease).

2. Purchase Price; Closing. The purchase price for the Equipment shall be \$1,096,844.00 (the "Purchase Price"). Provided that the conditions set forth in Section 3 shall have been satisfied, the Purchase Price shall be paid in immediately available United States funds on the Closing Date by wire transfer to the Account of Seller at Morgan Guaranty Trust Company, 23 Wall Street, New York, New York 10015 for credit to Connell Finance Company, Inc. 013-12-227, advise Mr. Thomas Srednicki. A closing (the "Closing") shall be held at the offices of White & Case, 1155 Avenue of the Americas, New York, New York beginning at 10 a.m. on the Closing Date. It is the intention of the parties hereto that Seller shall retain the benefits and burdens of ownership in respect of the Equipment until the Closing Date, and, accordingly, in the event that any Unit has been the subject of a Casualty Occurrence, the Purchase Price will be reduced on a pro rata basis. At the Closing, Seller shall deliver to Buyer a Bill of Sale ("Bill of Sale") with respect to the Units to be sold hereunder and the Lease substantially in the form of Exhibit B to this Agreement.

3. Closing Conditions. It shall be a condition of the consummation of the transactions contemplated hereby that, on the Closing Date:

(a) there shall be no default or Event of Default under the Lease;

(b) all amounts payable under the Lease, including rental payments and amounts payable as the result of a Casualty Occurrence, shall have been paid pursuant to Section 7 hereof to Seller;

(c) no more than 5% of the Units shall have been the subject of a Casualty Occurrence;

(d) all representations and warranties contained in Sections 5, 6 and 12 hereof shall be true and correct in all material respects with the same effect as though such representations and warranties had been made on and as of the Closing Date; and

(e) Mercantile shall have executed and delivered a Release (the "Release") of its security title substantially in the form of Exhibit C hereto.

4. Allocation of Revenues and Expenses; Events Prior to the Closing Date. All revenues and expenses with respect to the Equipment, other than expenses for which Lessee is responsible under the Lease, which accrue or are incurred or relate to any point in time prior to the Closing Date shall be for the account of Seller. All revenues and

expenses with respect to the Equipment which accrue or are incurred or relate to any point in time on or after the Closing Date shall be for the account of Buyer. Seller shall retain all rights to which it is entitled under the Participation Agreement dated as of October 1, 1978 among Chesapeake, Mercantile and Seller, as modified, supplemented or amended from time to time to the date hereof, the Lease or the RCSA and the documents related thereto, which, in whole or in part, derive from or relate to any event, circumstance or matter arising, occurring or existing prior to or coincident with the Closing Date.

5. Representations and Warranties of Seller.

Seller hereby does, and on the Closing Date shall, represent, warrant and declare to and in favor of the other parties hereto that:

(a) Seller holds good and marketable title to the Equipment and Seller has placed no lien, charge, security interest or other encumbrance on the Equipment or any Unit thereof or the Lease, except for liens in favor of Mercantile;

(b) Seller is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its incorporation; and

(c) This Agreement (i) has been properly authorized by all necessary corporate action, (ii) does not

require the approval of any third party (other than those approvals which have been obtained prior to the date of this Agreement) and (iii) constitutes the legal, valid and binding obligation of Seller.

6. Representations and Warranties of Buyer. Buyer hereby does, and on the Closing Date shall, represent, warrant and declare to and in favor of the other parties hereto that:

(a) Buyer is a duly organized and validly existing corporation in good standing under the laws of the jurisdiction of its incorporation;

(b) This Agreement (i) has been properly authorized by all necessary corporate action, (ii) does not require the approval of any third party (other than those approvals which have been obtained prior to the date of this Agreement), (iii) constitutes the legal, valid and binding obligation of Buyer, (iv) does not constitute a breach of any existing and outstanding contractual or other obligation of Buyer, or violate any provision of law or the charter or by-laws of Buyer, and (v) requires no approval or provision of prior notice to any government, government agency, ministry, bureau or commission, whether domestic or foreign.

(c) Buyer has inspected the Equipment, prepared and delivered Exhibit A, agrees to purchase and accept

the Equipment on an "as-is, where is" basis, and agrees that Seller has not made any representations or warranties as to Exhibit A, the physical condition of the Equipment or any other matter affecting or relating to the Equipment, except as specifically set forth in this Agreement.

7. Lease Payments The parties hereto agree that all amounts payable under the Lease, including rental payments and amounts payable as a result of a Casualty Occurrence, shall be paid to Seller pursuant to Section 3(b) hereof prior to or no later than 11 a.m. New York time on the Closing Date, by wire transfer to Morgan Guaranty Trust Company, 23 Wall Street, New York, New York 10015 for credit to Connell Finance Company, Inc. 013-12-227, advise Mr. Thomas Srednicki. To the extent that the foregoing sentence shall limit, qualify or conflict with a provision of the Lease or any document related thereto, the parties hereto agree that such sentence shall control and to the extent necessary to effect the intent of the parties any such provision shall be deemed amended, modified or supplemented.

8. No Warranties. SELLER MAKES NO WARRANTIES, GUARANTEES OR REPRESENTATIONS OF ANY KIND, EXPRESS OR IMPLIED, STATUTORY OR OTHERWISE, WITH REGARD TO THE EQUIPMENT INCLUDING, BUT NOT LIMITED TO, THE CONDITION OF THE EQUIPMENT, AND BUYER HEREBY WAIVES ALL REMEDIES, WARRANTIES

OR LIABILITIES, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, WITH RESPECT TO THE EQUIPMENT SOLD OR FURNISHED UNDER THIS AGREEMENT, INCLUDING BUT NOT LIMITED TO (1) ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, (2) ANY IMPLIED WARRANTY ARISING FROM THE COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE, AND (3) ANY OBLIGATION, LIABILITY, RIGHT, CLAIM OR REMEDY ARISING FROM EVENTS OCCURRING FROM AND AFTER THE CLOSING DATE FOR LOSS OF OR DAMAGE TO THE EQUIPMENT, FOR ANY LIABILITY OF BUYER TO ANY THIRD PARTY, OR FOR ANY OTHER DIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES.

9. Indemnities. (a) Buyer shall indemnify and hold Seller harmless with respect to all costs, expenses and fees (including without limitation legal fees) incurred in connection with the negotiation, documentation and consummation of the transactions hereby contemplated (whether or not consummated).

(b) All indemnities for the benefit of Mercantile set forth in the Lease, the RCSA and the documents related thereto, including but not limited to Articles 12 and 21 of the RCSA, shall survive the execution and delivery of this Agreement and the documents related hereto.

10. Expenses. Within 30 days after February 15, 1989, Seller and Mercantile shall submit to Buyer invoices for all reasonable costs, expenses, fees and other amounts

(including without limitation reasonable legal fees) owed to Seller, or Mercantile, respectively, in connection with the negotiation, documentation and consummation of the transactions hereby contemplated (whether or not consummated). Buyer shall pay each such invoice promptly, or if Seller or Mercantile shall have paid such invoice, Buyer shall promptly reimburse the paying party.

11. Taxes. Buyer will indemnify Seller, on an after-tax basis, against all taxes, fees, duties and other charges of any nature whatsoever ("Taxes") imposed by any taxing jurisdiction in whole or in part as a result of the transactions contemplated hereby other than (i) United States federal income Taxes, (ii) Taxes on net income imposed by the state (and any political subdivision thereof) where Seller has its principal place of business and (iii) Taxes imposed by any jurisdiction where the jurisdiction to tax is based solely on matters unrelated to the Equipment, the transactions contemplated by this Agreement and/or the Lease.

12. Assumption of Ownership; Registration. Buyer hereby does, and on the Closing Date shall (i) acknowledge that it has on hand and in its possession the Equipment and (ii) pursuant to the terms hereof, purchase and accept the Equipment on an "as is, where is" basis. Within a reasonable time after the Closing Date, Buyer shall cause

this Agreement, the Bill of Sale and the Release, any assignments hereof or thereof and any amendments hereto or thereto to be duly filed with the Interstate Commerce Commission, pursuant to Article 17 of the RCSA, and posted against certain documents bearing recordation numbers 9811, 9811-A, 9811-B, 9811-C and 9811-D.

13. Further Assurances. Seller shall make, do and execute or cause to be made, done and executed all such further acts, deeds and assurances as Buyer or Buyer's counsel may deem appropriate to effectively convey the Equipment and the interests in the Lease to Buyer as aforesaid and according to the intent and meaning of this Agreement. Buyer shall make, do and execute or cause to be made, done and executed all such further acts, deeds and assurances as Seller or Seller's counsel may deem appropriate to effectively convey the Equipment and the interests in the Lease to Buyer as aforesaid and according to the intent and meaning of this Agreement.

14. Records. As soon as practicable after the Closing Date, Seller will furnish Buyer with copies of those documents in the possession of Seller, if any, as Buyer may reasonably request and as are reasonably necessary for the administration of the Equipment and the Lease.

15. Survival of Representations and Warranties. The representations and warranties herein contained shall

survive the execution of this Agreement by the parties hereto, shall be deemed made on the date hereof and on the Closing Date, and shall inure to the benefit of any successors or assigns of the parties hereto.

16. Conflict. To the extent that any provision of this Agreement shall limit, qualify or conflict with another provision of any agreement, contract, certificate, instrument or other document, the provisions of this Agreement shall control.

17. Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the parties hereto, and their respective successors, administrators and assigns.

18. Severability. Any term, condition or provision of this Agreement which is, or is deemed to be, void, prohibited, or unenforceable in any jurisdiction is, as to such jurisdiction, severable herefrom, and is ineffective to the extent of such avoidance, prohibition and unenforceability without in any way invalidating the remaining terms, conditions and provisions hereof. Any such avoidance, prohibition and unenforceability in any jurisdiction does not invalidate or render unenforceable such term, condition or provision in any other jurisdiction.

19. Entire Agreement. This Agreement contains the entire agreement and understanding among the parties

hereto with respect to the subject matter hereof and supercedes all prior agreements, understandings and representations, oral or written. No modification, limitation or release of any of the terms and conditions hereof shall be made except by mutual agreement to that effect in writing and signed by the parties hereto.

20. Headings. The section headings in this Agreement are used in this Agreement only for convenience and shall not be used in construing this Agreement nor to limit or affect any of the provisions of this Agreement.

21. Governing Law. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NEW YORK, SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, THE LAWS OF THE STATE OF NEW YORK AND THIS AGREEMENT SHALL BE DEEMED IN ALL RESPECTS TO BE A CONTRACT OF SUCH STATE OF NEW YORK.

22. Notice. All communications under this Agreement shall be in writing (including telegraphic, telex, telecopied or cable communication) and when mailed, telegraphed, telexed, telecopied, cabled or sent by overnight courier, shall be effective when deposited in the mails, delivered to the telegraph company, cable company or overnight carrier, as the case may be, or sent by telex or telecopier to the address set forth below or such other address as shall have been provided by written notice to all the

parties hereto. The addresses of the parties hereto as of the date hereof are as follows:

CSX Transportation Inc.
100 North Charles Street
Baltimore, MD 21201

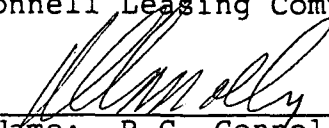
Connell Rice & Sugar Co.,
(Connell Leasing Company Division)
45 Cardinal Drive
Westfield, NJ 07090-1099

23. Counterparts. This Agreement may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinabove set forth.

SELLER:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By 
Name: R.C. Connolly
Title: Executive Vice President

BUYER:

CSX TRANSPORTATION INC., as
successor by merger to The
Chesapeake and Ohio Railway Company

By _____
Name: Denis J. Voisard
Title: Assistant Vice President
and Treasurer - Equipment
Unit

parties hereto. The addresses of the parties hereto as of the date hereof are as follows:

CSX Transportation Inc.
100 North Charles Street
Baltimore, MD 21201

Connell Rice & Sugar Co.,
(Connell Leasing Company Division)
45 Cardinal Drive
Westfield, NJ 07090-1099

23. Counterparts. This Agreement may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first hereinabove set forth.


SELLER:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By _____
Name: R.C. Connolly
Title: Executive Vice President

BUYER:

CSX TRANSPORTATION INC., as
successor by merger to The
Chesapeake and Ohio Railway Company

By  _____
Name: Denis J. Voisard
Title: Assistant Vice President
and Treasurer - Equipment
Unit

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
BO	10043
BO	10066
BO	10155
BO	10159
BO	10180
BO	10234
BO	10315
BO	10428
BO	10928
BO	10945
BO	11075
BO	11311
BO	11346
BO	11448
BO	11459
BO	11492
BO	11663
BO	11677
BO	11910
BO	12330
BO	12662
BO	12682
BO	12953
BO	13771
BO	13781
BO	14029
BO	14054
BO	14209
BO	14378
BO	14538
BO	14612
BO	14741
BO	14804
BO	14988
BO	15090
BO	15093
BO	15118
BO	15138
BO	15158
BO	15217
BO	288061
BO	288151
BO	288217
BO	288228
BO	288276
BO	288470

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
BO	288497
BO	288529
BO	288668
BO	352000
BO	352010
BO	352011
BO	352012
BO	352015
BO	352016
BO	352018
BO	352019
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BO	352080
BO	352081
BO	352082
BO	352085
BO	352086
BO	352091
BO	352094
BO	352095
BO	352100
BO	352102
BO	352104
BO	352113
BO	352117
BO	352121
BO	352125

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
BO	352136
BO	352139
BO	352144
BO	352147
BO	352151
BO	352153
BO	352154
BO	352161
BO	352165
BO	352167
BO	352169
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BO	352193
BO	352194
BO	352195
BO	352198
BO	352201
BO	352208
BO	352210
BO	352211
BO	352212
BO	352213
BO	352216
BO	352221
BO	352231
BO	352234
BO	352235
BO	352238
BO	352239
BO	352240
BO	352246
BO	352247
BO	352248
BO	352250
BO	352251
BO	352252
BO	352253
BO	352254

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
BO	352255
BO	352259
BO	352260
BO	352263
BO	352265
BO	352267
BO	352271
BO	352274
BO	352278
BO	352279
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BO	352332
BO	352334
BO	352340
BO	352344
BO	352346
BO	352347
BO	352361
BO	352363
BO	352365
BO	352370

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
BO	352373
BO	352375
BO	352378
BO	352383
BO	352387
BO	352388
BO	352390
BO	352391
BO	352395
BO	352398
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BO	352476
BO	352494
BO	352496
BO	352497
BO	352499
CO	19759
CO	19761
CO	19764
CO	19768
CO	19769
CO	19772
CO	19784
CO	19792
CO	19824
CO	19842

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
CO	19858
CO	19919
CO	19931
CO	19950
CO	19953
CO	19961
CO	19977
CO	22002
CO	22008
CO	22017
CO	22021
CO	22025
CO	22032
CO	22033
CO	22038
CO	22041
CO	22047
CO	22049
CO	22060
CO	22069
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CO	22087
CO	22093
CO	22108
CO	22111
CO	22113
CO	22114
CO	22128
CO	22132
CO	22137
CO	22141
CO	22143
CO	22150
CO	22156
CO	22157
CO	22193
CO	22194
CO	22199
CO	22209
CO	22212
CO	22230
CO	22242
CO	22243
CO	22249
CO	27818

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
CO	27831
CO	27836
CO	27839
CO	27851
CO	27885
CO	27898
CO	27926
CO	27954
CO	27957
CO	27958
CO	27975
CO	27982
CO	27983
CO	27996
CO	28020
CO	28021
CO	28043
CO	28059
CO	28063
CO	28067
CO	28153
CO	28192
CO	28247
CO	28312
CO	28420
CO	28501
CO	28530
CO	28568
CO	28669
CO	28689
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CO	28700
CO	28766
CO	28779
CO	28797
CO	28846
CO	28954
CO	103011
CO	103017
CO	103021
CO	103066
CO	103068
CO	103158
CO	103196
CO	103213
CO	103286

PAGE 8

CO LEASE DATED 10/1/78

(LEASE NUMBER 3216)

LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
CO	103325
CO	103395
CO	103419
CO	103485
CO	103487
CO	103504
CO	103525
CO	103609
CO	103718
CO	103814
CO	103847
CO	103895
CO	103908
CO	103948
CO	103967
CO	103975
CO	150006
CO	150063
CO	150116
CO	150210
CO	150235
CO	150282
CO	150350
CO	150363
CO	150525
CO	150549
CO	150586
CO	150662
CO	150666
CO	150712
CO	150733
CO	150761
CO	150800
CO	150826
CO	150829
CO	150838
CO	150941
CO	150989
CO	151209
CO	151243
CO	151266
CO	151368
CO	151451
WM	71235
WM	71397
WM	71447

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
WM	80014
WM	80030
WM	80032
WM	80037
WM	80040
WM	80073
WM	80080
WM	80096
WM	80140
WM	80141
WM	80142
WM	80146
WM	80148
WM	80179
WM	80185
WM	80187
WM	80195
WM	80208
WM	80210
WM	80214
WM	80219
WM	80221
WM	80246
WM	80249
WM	80260
WM	80266
WM	80307
WM	80318
WM	80323
WM	80334
WM	80345
WM	80348
WM	80354
WM	80368
WM	80370
WM	80372
WM	80379
WM	80391
WM	80412
WM	80435
WM	80482
WM	80483
WM	80489
WM	80491
WM	80497
WM	80498

PAGE 10

CO LEASE DATED 10/1/78
(LEASE NUMBER 3216)
LISTING OF 414 REMAINING CARS

INITIAL	NUMBER
---------	--------

*TOTAL LNUM 3216	

TOTAL

EXHIBIT B

BILL OF SALE

Pursuant to the provisions of that certain Purchase and Sale Agreement ("Purchase Agreement") dated as of December 30, 1988, between CSX Transportation Inc. ("Buyer") and Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division) ("Seller"), for and in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by Buyer, Seller does hereby sell, assign, transfer and set over to Buyer, its successors and assigns, all of Seller's right, title and interest in and to (a) those units of reconstructed railroad equipment described on Schedule I hereto (collectively the "Equipment" and each individually a "Unit") on an "as is, where is" basis and (b) that certain Lease of Railroad Equipment (as modified, supplemented or amended from time to time, the "Lease") dated October 1, 1978 between The Chesapeake and Ohio Railway Company and Seller. This Bill of Sale shall be construed in accordance with, and the rights and liabilities hereunder shall be governed by, the laws of the State of New York.

Seller hereby warrants that at the date of this Bill of Sale it holds good and marketable title to the Equipment and Seller has placed no lien, charge, security interest or other encumbrance on the Equipment or any Unit thereof or the Lease, except for liens in favor of Mercantile-Safe Deposit and Trust Company.

IN WITNESS WHEREOF, Seller has caused this instrument to be signed by a duly authorized officer, this _____ day of February, 1989.

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By _____
R. C. Connolly
Executive Vice President

SCHEDULE I
to
Exhibit B

EQUIPMENT SCHEDULE

<u>Unit Type</u>	<u>Quantity</u>	<u>Lessee's Unit Numbers</u>
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STATE OF)
) ss.:
COUNTY OF)

On this ____ day of _____, 1989, before me personally appeared R.C. Connolly, to me personally known, who, being by me duly sworn, says that he is Executive Vice President of Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division), and that the foregoing Bill of Sale was duly signed by him on behalf of said corporation. Further, he acknowledged that the execution of the foregoing Bill of Sale was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

My commission expires:

RELEASE

To: Connell Rice & Sugar Co., Inc.
("Connell")

CSX Transportation Inc. ("CSX"),
as successor by merger to
The Chesapeake and Ohio Railway
Company ("Chesapeake")

Dear Sirs,

Pursuant to a certain Purchase and Sale Agreement (the "Purchase Agreement") dated as of December 30, 1988 between Connell and CSX, for valuable consideration the receipt and sufficiency of which we hereby acknowledge we, not in an individual capacity but solely as agent pursuant to a certain Participation Agreement, dated as of October 1, 1978, as modified, supplemented or amended from time to time, hereby acknowledge the satisfaction of all debt owed to us pursuant to, and release all our right, title and interest in and to, the following documents (collectively the "Agreements"):

1. Reconstruction and Conditional Sale Agreement (the "RCSA"), dated as of October 1, 1978, among us, Chesapeake and Connell, filed with the Interstate Commerce Commission ("ICC") on October 31, 1978, at 1:05 p.m., recordation number 9811;

2. Transfer Agreement, dated as of October 1, 1978 between us and Connell, filed with the ICC on October 31, 1978, at 1:05 p.m., recordation number 9811-A;

3. Lease of Railroad Equipment, dated as of October 1, 1978, between Chesapeake and Connell, filed with the ICC on October 31, 1978, at 1:05 p.m., recordation number 9811-B;

4. Assignment of Lease and Agreement, dated as of October 1, 1978 between us and Connell, filed with the ICC on October 31, 1978, at 1:05 p.m., recordation number 9811-C; and

5. Hulk Purchase Agreement, dated as of October 1, 1978 between Connell and Chesapeake, filed with the ICC on October 31, 1978, at 1:05 p.m., recordation number 9811-D.

This Release is provided pursuant to the Purchase Agreement and is given on condition that all indemnities for our benefit as set forth in the Agreements and the documents related thereto including, but not limited to, Articles 12 and 21 of the RCSA, shall survive the execution and delivery of this instrument and the Purchase Agreement. This Release may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, we have caused this instrument to be signed by a duly authorized officer this ____ day of February, 1989.

[Corporate Seal]
Attest:

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY, not in
its individual capacity
but solely as agent

By _____

By _____
Schreiber
Authorized Officer

Name: Russell E.
Title: Vice President

Agreed and Accepted:

CONNELL RICE & SUGAR CO., INC.
(Connell Leasing Company Division)

By _____
Name: R. C. Connolly
Title: Executive Vice President

CSX TRANSPORTATION INC.,
as successor by merger to
The Chesapeake and Ohio
Railway Company

By

Name: Denis J. Voisard

Title: Assistant Vice President and
Treasurer - Equipment Unit

STATE OF MARYLAND)
) ss.:
CITY OF BALTIMORE)

On this ____ day of _____, 1989, before me personally appeared Russell E. Schreiber, to me personally known, who, being by me duly sworn, says that he is Vice President of Mercantile-Safe Deposit and Trust Company, that the seal affixed to the Release is the corporate seal of said corporation and that the foregoing Release was duly signed by him on behalf of said corporation. Further, he acknowledged that the execution of the foregoing Release was the free act and deed of said corporation.

Notary Public

[Notarial Seal]

My commission expires:

STATE OF *New Jersey*)
COUNTY OF *Union*) ss.:

On this 1st day of February, 1989, before me personally appeared R.C. Connolly, to me personally known, who, being by me duly sworn, says that he is Executive Vice President of Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division), and that the foregoing Purchase and Sale Agreement was duly signed by him on behalf of said corporation. Further, he acknowledged that the execution of the foregoing Purchase and Sale Agreement was the free act and deed of said corporation.

Virginia Anter
Notary Public

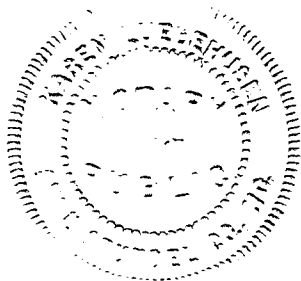
[Notarial Seal]

VIRGINIA ANTER
NOTARY PUBLIC OF NEW JERSEY
My Commission Expires May 11, 1989

My commission expires:

STATE OF *Maryland*
City) . ss.:
COUNTY OF *Baltimore*

On this 1st day of February, 1989, before me personally appeared Denis J. Voisard, to me personally known, who, being by me duly sworn, says that he is Assistant Vice President and Treasurer - Equipment Unit of CSX Transportation Inc., and that the foregoing Purchase and Sale Agreement was duly signed by him on behalf of said corporation. Further, he acknowledged that the execution of the foregoing Purchase and Sale Agreement was the free act and deed of said corporation.



[Notarial Seal]

Karen Luchekusen
Notary Public

My commission expires:

July 1, 1990